

1 HOUSE BILL NO. 141

2 INTRODUCED BY L. JONES

3 BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING APPROPRIATION LANGUAGE FOR THE BLACKFEET
6 TRIBE WATER RIGHTS COMPACT MITIGATION ACCOUNT; PROVIDING A REVISED STATUTORY
7 APPROPRIATION; AMENDING SECTION 85-20-1504, MCA; AND PROVIDING AN EFFECTIVE DATE."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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11 **Section 1.** Section 85-20-1504, MCA, is amended to read:

12 **"85-20-1504. Blackfoot Tribe water rights compact mitigation account -- use.** (1) There is an
13 account within the state special revenue fund called the Blackfoot Tribe water rights compact mitigation
14 account. The department shall administer the account. ~~Up to \$650,000 each fiscal year of interest and earnings~~
15 ~~on the account must be deposited in the account. All interest and other income earned on money in the account~~
16 must be deposited in the account.

17 (2) The Blackfoot Tribe water rights compact mitigation account may be used only for:

18 (a) expenditures for grants to or matching funds for federal or other grants to water right holders
19 under state law for water from Birch Creek, Badger Creek, Cut Bank Creek, the Two Medicine River, and the
20 portion of the Milk River within the exterior boundaries of the Blackfoot Indian reservation for projects approved
21 by the department to enhance water availability or otherwise mitigate the economic and hydrologic impacts on
22 water right holders under state law caused by the development of the Blackfoot Tribe's water rights under a
23 water rights compact pursuant to 85-2-702 quantifying the water rights of the Blackfoot Tribe; and

24 (b) implementation of the water rights compact among the Blackfoot Tribe, the state, and the
25 United States and any associated agreements as may be specified in the compact or agreements.

26 ~~(3) The department may expend up to \$650,000 each fiscal year of the interest and income on the~~
27 ~~escrow account provided for in subsection (4)(c) for the purposes described in subsection (2)(b). This money is~~
28 ~~statutorily appropriated, as provided in 17-7-502.~~

1 ~~(4)~~(3) (a) At least \$4.5 million of this account must be dedicated to mitigate impacts on water right
2 holders under state law for use of water out of Birch Creek.

3 (b) The amount of \$14 million in this account must be used to mitigate impacts of development of
4 the tribal water right on water users as provided for in a February 13, 2009, amendment to an agreement
5 between the Blackfeet Tribe of the Blackfeet Indian reservation and the state of Montana regarding Birch Creek
6 water use entered into January 31, 2008.

7 (c) The amount of \$10 million in this account must be held in escrow. The department shall
8 negotiate the terms of an escrow agreement.

9 ~~(5)~~(4) ~~Except as provided in subsection (3), funds~~ Funds from this account may not be disbursed
10 unless a water rights compact among the Blackfeet Tribe, the state, and the United States has been finally
11 ratified by the legislature, the Congress of the United States, and the Blackfeet Tribe.

12 (5) Money in the Blackfeet Tribe water rights compact mitigation account is statutorily
13 appropriated, as provided in 17-7-502, to the department of natural resources and conservation."

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15 NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 2023.

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